

E 01345A-10-0394
E-01345A-12-0290

E-01933A-12-0296
E-04204A-12-0297

ARIZONA CORPORATION COMMISSION

OPEN MEETING AGENDA ITEM UTILITY COMPLAINT FORM



Investigator: Trish Meeter

Phone:

Priority: Respond Within Five Days

Opinion No. 2014 - 114752

Date: 1/28/2014

Complaint Description: 19Y Net Metering
N/A Not Applicable

First:

Last:

ORIGINAL

Complaint By:

C.

Beatty

Account Name:

C Patrick Beatty

Home: (000) 000-0000

Street:

Work:

City:

Prescott

CBR

State:

AZ

Zip: 86305

is:

Utility Company:

Miscellaneous Electric

Division:

Electric

Contact Name:

Unknown

Contact Phone: (000) 000-0000

Nature of Complaint:

Docket No. E-01345A-10-0394 - 12-0290 - E-01933A-12-0296
E-04204A-0291

Prescott, Arizona 86305

Arizona Corporation Commission
DOCKETED

FEB 14 2014

January 23, 2014
Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, AZ 85007-2996

DOCKETED BY

RECEIVED
2014 FEB 14 P 12:14
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Dear Arizona Corporation Commission:

I would like to furnish some comments on the current discussion concerning solar electricity and Arizona Public Service and leasing solar panels. I own a 5KW solar system installed in February, 2011 and received the then current rebate from APS. I therefore have some stake in the current discussions regarding net metering. I was notified by APS in July 2013 that I would be "grandfathered" under current net metering rules for 20 years and then in November 2013 was again notified by APS that the full 20 year grandfather period for homes with rooftop solar would remain in effect regardless if home ownership changed. I now realize that this clarification is neither generous nor fair. If this extended grandfather period will end after 20 years, it could make a subsequent sale of my house difficult. This expiration of the grandfathered status of my solar system would have to be disclosed to any potential buyers who may

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not want to face higher costs for electricity. In addition, over the next now 17 years, I will probably have to replace the inverter in my system at least once and possibly twice because the life expectancy of inverters is currently thought to be about 10 years. Shifting this potential cost to a new owner of my house who would also face added higher electricity costs at some point may well result in receiving a lower price when my house is sold and I might even have to pay to have the system removed from my roof. There is nothing magical about a 20 year guarantee of my current net metering status. I purchased my solar system thinking it would save both me and APS as far as the future cost of electricity for as long as the panels worked. I also feel APS is over estimating the transmission costs as a percentage of a total monthly bill. While APS is correct in saying the electricity I generate is distributed over their grid, they seem to ignore that rooftop solar reduces their need to generate new electricity and build future power plants. So I respectfully request that you over ride the APS plan to disallow net metering for all rooftop solar after a grandfathered period of time. My other concern is with the businesses that install and lease rooftop solar systems. I requested an estimate for a leased system before I decided to purchase my system and I remember that the actual savings I could expect from a leased system were only vaguely discussed. Now according to their own publicized data, the average savings for leased systems is in the range of \$5-10 per month, much

less than an average customer might expect to allow somebody to mess with their roof. I seriously question the business plans of those who install and lease solar systems and feel they are profiting excessively by over-charging their customers. These businesses are actually buying and selling electricity and collecting the rebates and federal and state tax credits without any regulation from the Arizona Corporation Commission. Why would anybody, including the VA hospitals (in Prescott and Phoenix for sure) and schools and commercial buildings agree to allow solar leasing outfits to install solar panels on their roofs for a 5% savings in the cost of electricity now and even less savings after the grandfathered net metering goes away? I suspect many of the leased rooftop solar systems are merely financed rather than leased and the ownership of the panels will revert to the homeowner about when grandfathered net metering expires. The bottom line regarding solar leasing businesses is that they are buying and selling electricity seemingly without any regulation by the Arizona Corporation Commission and profiting at the expense of un-enlightened homeowners. Thank you for your attention to my observations concerning net metering, leased and wholly owned solar systems and unreasonable profiting.

Respectfully,

c.V
C Patrick Beatty
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

docketed
End of Comments

Date Completed: 1/28/2014

Opinion No. 2014 - 114752

E. 01345A. 10. 0394

E. 01345A. 12. 0290

E. 01933A. 12. 0291

E. 04204A. 12. 0297

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Trish Meeter

Phone

2

Fax

Priority: Respond Within Five Days

Opinion No. 2014 - 114994

Date: 2/11/2014

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: Terry

Finefrock

Account Name: TERRY FINEFROCK

Home: (000) 000-0000

Street:

Work:

City: Tucson

CBR:

State: AZ Zip: 85718

is:

Utility Company: Miscellaneous Electric

Division: Electric

Contact Name: Unknown

Contact Phone: (000) 000-0000

Nature of Complaint:

Name: MR TERRY FINEFROCK

Date: 01/20/2014

Address:

Phone:

City/State/Zip: TUCSON, AZ 85718

Cell:

Docket: TRACK & RECORD(REC'S)

Docket No: 12-0290, 0296, 0297

Utility: TUCSON ELECTRIC POWER COMPANY

Position: Pro

Email: TLFINEFROCK@COMCAST.NET

Comments: I am writing to provide comment to the Commission's question. Are there viable markets for Customer owned REC's?... Asked during the January 14, 2014 ACC Open Hearing on "Track & Record"(dOCKETS 10-0394; 12-0290; 0296; 0297) The answer is yes. The Department of Defense(DOD) plans to conduct several solicitations during 2014 for offers from their "Qualified Vendor List(QVL)" to sell REC's to the DOD. Pima County, Tucson, AZ has established its status on the QVL and plans to respond and participate in those procurements/sell its REC's to offset its taxpayer(same persons as ratepayers)funded electricity expenses. In addition to assessing financial penalties on visible fossil fueled emissions, to which the Commission responded by transferring that cost from utilities to Ratepayers via approval of a new environmental compliance adjuster surcharge, both the EPA and Congress recognize the negative impact of carbon emissions, fossil fueled generation of electricity, and Congress has conducted multiple meetings and studies to discuss/determine an appropriate maximum threshold for carbon emissions and valuation of a penalty, which appears to be something like \$30/ton. Their discussion also provided for the capacity to purchase REC's to offset carbon generation in excess of the maximum threshold. I understand that Congress has also discussed a potential budget identifying what programs those new revenues would support. The Congress is also under great pressure to reduce the deficit, costs and identify new acceptable revenue sources. Multiple large financial institutions have also conducted and published studies indicating that a North American REC (Carbon) market is likely. Residential scale REC's can be acquired by the Installer, TFS, Solar City, Solar Store, GeoInnovation, etc. aggregated and

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sold on the current and future market(s). The REC Purchase Agreement contracts executed by TEP & APS with ACC approval with multiple customers provides legal precedent and agreement that a REC has value and is owned by the Customer. In closing, yes, there is a current market for Customer owned REC's and the above information and dynamics indicate that the probability is high that the number of buyers, markets, and Customer Owned REC value will increase as soon as the economy improves. To avoid significant and increasing financial and legal liability, which would likely include penalties as well as all costs as the action would be considered "willful" or negligent, it is appropriate that the ACC be concerned and proceed in a manner that does not result in any damage to the value of a Customer owned REC. Mr. Terry Finefrock, CPIM

End of Complaint

Utilities' Response:

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Investigator's Comments and Disposition:

docketed

End of Comments

Date Completed: 2/11/2014

Opinion No. 2014 - 114994

E. 01345A-10-0394
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E. 04204A-12-0297

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Trish Meeter

Phone:

Fax: (602) 255-2000

Priority: Respond Within Five Days

Opinion No. 2014 - 114519

Date: 1/10/2014

Complaint Description: 19Y Net Metering
N/A Not Applicable

First:

Last:

Complaint By: Pat

Donohue

Account Name: Pat Donohue

Home: (000) 000-0000

Street: Avenida Maricopa Circle

Work:

City: Mesa

CBR:

State: AZ Zip: 85207

is:

Utility Company: Miscellaneous Electric

Division: Electric

Contact Name: Unknown

Contact Phone: (000) 000-0000

Nature of Complaint:

Docket Nos. E-01345A-10-0394 E-01345A-12-0290 E-01933A-12-0296 E-04204A-12-0297

From: pkdonohue@cox.net

Sent: Thursday, January 09, 2014 8:18 AM

To: Corps-Director

Subject: Possible End To Net Metering Puts Existing And Future School Solar Projects At Risk

Pat Donohue

Mesa, AZ 85207-1834

January 9, 2014

Executive Director Jodi Jerich
1200 West Washington
Phoenix, AZ 85007-2996

Dear Executive Director Jerich:

As a member of the Arizona Corporation Commission please do not eliminate or reduce the credits that can be obtained by schools selling excess power from school solar projects back to their utility company. The net metering process allows school districts and charter schools to reduce their utility costs and put more dollars into educational programs for students. The program is good for schools and good for Arizona.

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Net metering provides a benefit to BOTH schools and the utility company. Eliminating net metering will have a negative financial impact on schools currently using solar while the utility companies continue to benefit from the excess solar energy production. Utility companies currently charge added fees, such as, rate riders, REAC, LFCR and other adjustments to compensate for lost revenue due to solar.

Sincerely,

Pat Donohue
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

docketed
End of Comments

Date Completed: 1/10/2014

Opinion No. 2014 - 114519
